Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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> DA 17-457 May 12, 2017

DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF WESTPHALIA TELEPHONE COMPANY AND WESTPHALIA BROADBAND, INC. TO CHAPIN COMMUNICATIONS CORPORATION

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 17-101

Comments Due: May 26, 2017 Reply Comments Due: June 2, 2017

By this Public Notice, the Wireline Competition Bureau seeks comment from interested parties on an application filed by Clinton County Telephone Company (Clinton), Westphalia Telephone Company (WTC), Westphalia Broadband, Inc. (WBI), and Chapin Communications Corporation (Chapin) (collectively, Applicants), pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.03 of the Commission's rules, requesting approval for the transfer of control of WTC and WBI to Chapin.¹

WTC and WBI, both Michigan corporations, are wholly owned subsidiaries of Clinton, also a Michigan corporation.² WTC is a rural incumbent local exchange carrier (LEC) providing service to approximately 950 subscribers in and around Westphalia, Michigan in portions of Clinton and Ionia Counties in south central Michigan. WBI provides competitive LEC service to approximately 500 subscribers in and around St. Johns and DeWitt, Michigan in portions of Clinton County in south central Michigan. WBI also provides resold long distance service to approximately 950 subscribers in its competitive LEC service area and in and around the area served by WTC.

Chapin, a Michigan corporation and holding company, wholly owns Farmers Mutual of Chapin d/b/a Chapin Telephone Company (CTC) and Chapin Long Distance, Inc. (CLD). Applicants state that

¹ See 47 U.S.C. § 214; 47 CFR § 63.03. Applicants state that they are also filing applications for the transfer of authorizations associated with international services. On April 26, 2017, Applicants filed a supplement to their domestic Section 214 application. Any action on this domestic Section 214 application is without prejudice to Commission action on other related, pending applications.

² Applicants state that Clinton is a wholly owned subsidiary of Great Lakes Comnet, Inc. (GLC), a Michigan corporation currently under the administration of a Liquidating Trust. Applicants state that the proposed transaction is not related to or dependent upon the outcome of the pending bankruptcy of GLC.

no single shareholder owns 10 percent or more of the issued and outstanding stock of Chapin. CTC, a Michigan corporation, is a rural incumbent LEC providing service to approximately 500 access lines in portions of Saginaw and Shiawassee Counties in central Michigan. CLD, a Michigan corporation, provides resold long distance service to approximately 300 subscribers in and around the area served by CTC. Applicants state that the incumbent LEC service territories of WTC and CTC are not overlapping or adjacent. They further state that there are no other overlapping operations between the Clinton and Chapin entities.

Applicants state that Clinton and Chapin have entered into an agreement whereby Chapin will purchase the issued and outstanding stock of WTC and WBI. Upon consummation of the proposed transaction, WTC and WBI will be wholly owned subsidiaries of Chapin. Applicants assert that the transaction will be transparent to its customers. Although Applicants request streamlined processing, because of the public interest review associated with this proposed transaction, the application is not subject to streamlined treatment.⁴

Domestic Section 214 Application Filed for the Transfer of Control of Westphalia Telephone Company and Westphalia Broadband, Inc. to Chapin Communications Corporation, WC Docket No. 17-101 (filed Apr. 18, 2017).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to Section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before May 26, 2017**, and reply comments **on or before June 2, 2017**. Pursuant to Section 63.52 of the Commission's rules, 47 CFR § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date.

Pursuant to Section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents using the Commission's Electronic Comment Filing System (ECFS): http://apps.fcc.gov/ecfs/.

In addition, e-mail one copy of each pleading to each of the following:

- 1) Myrva Freeman, Competition Policy Division, Wireline Competition Bureau, myrva.freeman@fcc.gov;
- 2) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov;

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³ Applicants state that operational control of Chapin rests with the following members of its board of directors, each who are U.S. citizens: Aaron Somers, President; Steve Maynard, Vice President; Ron Maynard, Secretary; Laurie Ringle, Treasurer; Daren Mort, Director; Gene Maynard, Director; and Roger Reed, Director.

⁴ 47 CFR § 63.03(c)(1).

- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov;
- 4) David Krech, International Bureau, david.krech@fcc.gov; and
- 5) Sumita Mukhoty, International Bureau, <u>sumita.mukhoty@fcc.gov</u>.

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The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's ex parte rules.

For further information, please contact Myrva Freeman at (202) 418-1506 or Gregory Kwan at (202) 418-1191.